Activities of Projects Export Corporation

1501. MAULANA OBAIDULLAH KHAN AZMI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the activities undertaken by the Projects Export Corporation (PEC);

(b) the details of its activities which are similar to those of STC and MMTC and also those different from them;

(c) the details of the cases of malpractices/irregularities in the PEC; and

(d) the action taken in each case?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI SATYABRATA MOOKHERJEE): (a) The name of the Projects and Equipments Corporation of India Limited was changed to PEC Ltd. in 1997. The main activities of PEC Limited cetres around export of engineering products and equipments especially from small and medium enterprises, export and import of bulk items, namely, commodities, raw material and bullion etc.

(b) The Activities of PEC which are similar to those of STC and MMTC mainly relate to export and import of commodities and bullion. However, engineering projects and equipment exports are mainly undertaken by PEC and exports of high grade iron ore is done by MMTC Limited.

(c) There are no established cases of malpractices/irregularities in the PEC Limited.

(d) In view of (c) above, the question does not arise.

Export of herbs

1502. DR. A.K. PATEL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the share of the country in export of herbs to Germany and U.K.; and

(b) the details of the steps taken by Government to increase

participation in export of herbs to foreign countries and also to boost the production of herbs in the country?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI SATYABRATA MOOKHERJEE): (a) The data regarding country's share in exports to Gernamy & U.K. are not available under the head 'herbs'. However, the data is available under the SITC code 2924-Plants and parts of plants primarily used for pharmacy, perfumery and insecticides: fresh, dried or powdered. The share of the country in exports under the above head to Germany during 2001 was 3.46% and to U.K. was 6.86% (Source: Trade Analysis System, ITC/UNCTAD, Geneva)

(b) The details of the steps taken by Government to increase participation in export of herbs to foreign countries and also to boost the production of herbs in the country are as under:—

- The Government has established the National Medicinal Plant Board (NMPB) under the Department of Indian System of Medicines (Homoeopathy), Ministry of Health & Family Welfare, for integrated development of medicinal plant sector. Under promotional schemes, NMPB gives financial assistance upto 30% (maximum Rs. 9 lacs) per project with mission mode approach in order to increase production of raw material (medicinal plants).
- The Ministry of Health has a programme called 'Vanaspati— Van Scheme' for encouraging forest departments to raise medicinal plants on degraded forestlands.
- The Office of Director General Foreign Trade, Department of Commerce, has issued a Notification No. 3 dated 31st March 2003, according to which plant and plant portion obtained from the wild and their cultivated varieties, except for 29 species of plants listed in Appendix 2 of schedule 2 of ITC (HS) classification of Import & Export items, 2002—2007 and certain species of plants listed under CITES (Convention on International Trade in Endangered Species) are freely exportable with NOC/Cultivation Certificate from the Government Authorities. Even formlations made from the 29 prohibited species are freely exportable.

♦ The Government has been assisting CHEMEXCIL, an autonomous Export Promotion Council, setup by the Department of Commerce, through its Marketing Development Assistance (MDA) Scheme by financing the participation of exporters (including the exporters of herbal products) in overseas fairs, exhibitions, for mounting trade delegations and through its Market Access Initiatives Scheme by financing conduct of market study and follow-up activities in foreign countries. In order to give thrust to exports of Ayurvedic and Herbal products a new panel has also been constituted in Chemexcil.

Free trade with MGC group of countries

1503. SHRI SATISH PRADHAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the progress made with regard to the proposed free trade with various east countries like Myanmar, Thailand, Vietnam, Bangladesh etc.;

(b) the details of the outcome during MGC's ministerial meeting held at Phnom Penh on the 20th June, 2003;

(c) whether any decision has been taken to establish rail link from New Delhi to Hanoi connecting countries of the Meking-Ganga Co-operation group; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI SATYABRATA MOOKHERJEE): (a) Discussions are on for free trade arrangements with ASEAN (Association of South East Asian Nations), Bangladesh, Singapore and Thailand. However, Free Trade Agreement with any of these countries is yet to be finalized.

(b) At the third MGC Ministerial meeting held at Phnom Penh on 20th June, 2003, the MGC countries made a collective resolution to expedite the implementation of agreed projects and to explore a number of new and innovative ideas for cooperation which have